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Congress of the United States
House of Representatives

MIKE DOYLE
14TH DISTRICT, PENNSYLVANIA

June 30, 2011

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Chairman Julius Genachowski
Federal Communications Commission
445 112th Street, SW
Washington, DC 20554

0840

RE: Special Access Proceeding – MB Docket No. 05-25

Dear Chairman Genachowski:

In light of the recent release of the Commission's 15th annual mobile wireless competition report, I write to urge the Commission to take immediate, substantive steps to reform the market for "special access" services. Given the rapid increase in consumer use of high-bandwidth mobile wireless services, I am concerned that the Commission's failure to address the special access market is leading to unequal and deteriorating competition among providers in both the wireline and wireless markets.

Recent decades have seen substantial consolidation among wireline carriers. The special access market is now dominated by three telephone companies, two of which have the highest market shares for mobile wireless services as well. These incumbent carriers that hold such dominant positions in the wireline and wireless markets have significant advantages over their wireline competitors and independent wireless providers, due to the incumbents' ownership of physical infrastructure. These incumbents have been permitted by lack of regulation to charge high prices and impose anticompetitive terms and conditions for special access services, thereby depressing competition, hindering innovation, and preventing economic development.

Special access is essential to large parts of the economy – a crucial ingredient for adequate cell phone service, functioning ATMs, working credit card machines, and many other forms of communication. As the Commission examines competition in the wireless market and conducts its review of the proposed merger between AT&T and T-Mobile USA, special access is especially relevant. An unregulated special access market without effective competitive offerings places wireless providers without wireline infrastructure holdings at an especially strong competitive disadvantage, allowing the vertically integrated incumbents to dominate the wireless service and device marketplaces as well. Indeed, special access should be termed "critical access."

The Commission initiated its rulemaking process on special access in 2005. Despite having compiled an extensive record of data and public comments since that time, the agency's promise to address competition in the special access market remains unfulfilled. Given this delay, I respectfully request that you provide me with a detailed timeline to bring this proceeding to a vote before the Commission.

Your prompt attention to this matter is appreciated. I look forward to hearing from you before Congress recesses in August.

Sincerely,



Mike Doyle
Member of Congress



FEDERAL COMMUNICATIONS COMMISSION

August 19, 2011

JULIUS GENACHOWSKI
CHAIRMAN

The Honorable Mike Doyle
U.S. House of Representatives
401 Cannon House Office Building
Washington, D.C. 20515

Dear Congressman Doyle:

Thank you for your letter concerning the special access services market and the related pending proceeding before the Commission. I appreciate your continuing interest in timely and effective reform of the special access market and agree that just and reasonable rates, terms, and conditions for these services are critical for wireless and other competitive providers.

The Commission has made progress on this issue, as I outlined recently in my response to your question for the record. The Public Notices that we issued in 2009 and 2010, and the workshop that we held in July last year have, garnered significant data, which the staff is now reviewing. The Commission anticipates issuing an additional Public Notice soon requesting further data to help us answer those questions.

There are a number of difficult issues in the special access proceeding and there are no quick fixes. However, the data we have collected so far will help us to understand how best to move forward. Please be assured that I understand your concerns, and the Commission will continue working to fulfill its mandate under the statute to ensure that the rates charged for those services are just and reasonable.

Sincerely,

A handwritten signature in blue ink, appearing to be "J. Genachowski", is written over the word "Sincerely," and the printed name below it.

Julius Genachowski